

Office of State Uniform Payroll
State of Louisiana
Division of Administration

JOHN BEL EDWARDS
GOVERNOR



JAY DARDENNE
COMMISSIONER OF ADMINISTRATION

July 14, 2016

OFFICE OF STATE UNIFORM PAYROLL MEMORANDUM #2017-04

TO: LaGov HCM Agency Human Resources
and Employee Administration Staff

FROM: Andrea P. Hubbard
Director

SUBJECT: Rate Change for the Following Statewide Vendor Product:
Transamerica Life (30131) Cancer and Cancer-C/V Policies

Transamerica Life will be implementing a rate increase effective January 1, 2017 for the above policies. By September 26, 2016, the vendor will mail letters to all agencies affected by the rate increase, along with a list of the employees' current deduction amounts and the new amounts. At the same time, letters will be mailed from the vendor to the employees affected notifying them of the change. A new Payroll Deduction Authorization Form (SED-4) with the new rates will also be enclosed with the letter.

Employees who accept the rate change must sign the forms and send them back to the vendor by November 14, 2016. The vendor will forward a signed copy of the SED-4 form to the payroll office by November 28, 2016 to be entered. Agencies should have all deduction changes entered for the January 6, 2017 payday. Employees who do not submit the signed SED-4 by the November 14th deadline will have their policies cancelled upon notice from the vendor, effective January 1, 2017.

The vendor will prepare and send a list of employees who did not agree to the changed rates (did not sign the new SED-4 form) to the payroll offices by December 5, 2016. The list will indicate the employee's name, social security number, and product. A new Payroll Deduction Authorization Form, SED-4, will also be mailed to the employee and agency indicating that coverage for this specific policy has been cancelled effective January 1, 2017. **The employee signature is not required on these SED-4's. The SED-4 should include all other active policies the employee has with the vendor as new SED-4's supersede all prior forms.**

Cancellations and rate changes must be entered by the agency in LaGov HCM before January 2, 2017 in order for the correct deductions to be taken on the January 6, 2017 payday. Failure to do so will result in the agency having to make retroactive adjustments in

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order to correct the deductions. Retroactive adjustments could result in refunds being processed or inflated premiums in the pay period following the adjustments. Please refer to the [LaGov HCM Help script](#) for information about delimiting deductions and making adjustments to existing deductions.

Employees who accept the rate increase but will not have had the policy in force for one full year, as of January 1, 2017, cannot have the rate increase effective until that one year has passed per the Louisiana Insurance Code (Title 22 of the Louisiana Revised Statutes). If the vendor chooses to have the increase effective when that year is up, they must include this information in a cover letter to the agencies with the SED-4 so that the increase will be handled properly for those employees enrolled in the Flexible Benefits Plan.

If you have any questions about the rate change, please contact the following Administrative Coordinator for the vendor listed below:

Transamerica Life, Leslie Hubbard (800) 400-3042 ext 1271382

Any other questions should be directed to a member of the OSUP Benefits and Financial Administration Unit at _DOA-OSUP-BFA@LA.GOV or (225):

Jodi Bullock	342-5345	Desiree Jefferson	342-5377
Kenya Warren	342-5357	Brandy Boyd	342-5354
Jessamy Charette	342-5344		

APH:JAB/par

c: Lynette Deloch, Office of Group Benefits
Leslie Hubbard, Transamerica Life